

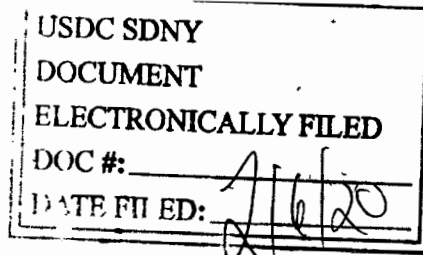
UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

JOEL MARGULIES,

Defendant.



Order of Restitution

S2 17 Cr. 638 (JSR)

Upon the application of the United States of America, by its attorney, Geoffrey S. Berman, United States Attorney for the Southern District of New York, Christine Magdo and Negar Tekeei, Assistant United States Attorneys, of counsel; the presentence report; the Defendant's conviction on Counts One, Two, Four, Five and Six of the above Superseding Indictment; and all other proceedings in this case, it is hereby ORDERED that:

1. **Amount of Restitution.** JOEL MARGULIES, the Defendant, shall pay restitution in the total amount of \$576,071 to the victims of the offenses charged in Counts One and Two of the Superseding Indictment, and \$2,360,631.54 to the victims of the offenses charged in Counts Four, Five and Six of the Superseding Indictment. The names, addresses, and specific amounts owed to each victim are set forth in the Schedule of Victims attached hereto. Upon advice of a change of address, the Clerk of the Court is authorized to send payments to the new address without further order of this Court.

2. **Schedule of Payments.** Pursuant to 18 U.S.C. § 3664(f)(2), in consideration of the financial resources and other assets of the Defendant, including whether any of these assets are jointly controlled; projected earnings and other income of the Defendant; and any financial obligations of the Defendant; including obligations to dependents, the Defendant shall pay restitution in the manner and according to the schedule that follows:

- (A) Defendant shall, pursuant to 18 U.S.C. § 3572(d)(1), make a payment of not less than \$1,243,089 within thirty (30) days of the entry of judgment; and
- (B) Defendant shall pay the balance of his restitution obligation in monthly installments of not less than twenty percent (20%) of his gross monthly income regardless of whether that income is derived from wages, benefits or other income-producing ventures or instruments commencing sixty (60) days after judgment is entered.

3. **Joint and Several Liability.** Defendant's liability for restitution shall be joint and several with that of any other defendant ordered to make restitution for the offenses in this matter. Specifically, for restitution to the victims of the offenses charged in Counts One and Two of the Superseding Indictment, the Defendant's liability for restitution is joint and several with Lisa Bershan ("Bershan"), who is charged in S1 17 Cr. 638 (JSR). For restitution to the victims of the offenses charged in Counts Four, Five, and Six of the Superseding Indictment, the Defendant's liability for restitution is joint and several with Bershan and with Barry Schwartz, who is charged in 17 Cr. 638 (JSR). Defendant's liability for restitution shall continue unabated until either the Defendant has paid the full amount of restitution ordered herein, or every victim has been paid the total amount of his loss from all the restitution paid by the Defendant and co-defendants in this matter.

4. **Transfer of Assets.** Defendant shall not transfer, assign, dispose, remove, conceal, pledge as collateral, waste, or destroy any real or personal property with the effect of hindering, delaying, or defrauding the United States or victims. Defendant shall not otherwise dissipate or encumber any property worth more than \$50,000 without the prior approval of the United States.

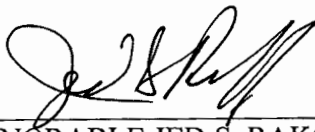
5. **Identification of Assets.** Within 30 days of this order, Defendant shall specifically identify to the United States all assets held individually or jointly, directly or indirectly, valued at

more than \$50,000 which have been transferred to any third party since October 11, 2017, including the location of each asset and the identity of the third parties holding such assets, including any trusts and/or business entities. Defendant shall fully cooperate with the United States in the identification and liquidation of assets to be applied toward restitution, including recovery from third parties and/or repatriation from foreign countries. Upon the request of the United States, Defendant shall execute any and all documents necessary to make assets available to satisfy restitution, including transfers of title if needed, and releases or waivers of any and all rights he may have in and to such property, including all exemptions under federal and state law.

6. **Taxes.** The defendant shall timely file income tax returns for the calendar year 2019, and provide to the Government a copy of the same. To the extent that the defendant's total federal income tax liability for calendar year 2019 is less than \$680,027.00, the defendant shall pay the difference toward restitution within 60 days of filing his 2019 tax returns. In addition, should the defendant receive a tax refund from the IRS for calendar year 2019, the defendant shall pay the amount of the tax refund toward restitution within 60 days of his receipt of the refund.

7. **Sealing.** Consistent with 18 U.S.C. §§ 3771(a)(8) & 3664(d)(4) and Federal Rule of Criminal Procedure 49.1, to protect the privacy interests of victims, the Schedule of Victims attached hereto shall be filed under seal, except that copies may be retained and used or disclosed by the Government, the Clerk's Office, and the Probation Department, as need be to effect and enforce this Order, without further order of this Court.

Dated: New York, New York  
February 5, 2020

  
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HONORABLE JED S. RAKOFF  
UNITED STATES DISTRICT JUDGE